Procurement Policy

4558. SHRI JANARDHANA POOJARY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the details of the policy governing procurement of rice, wheat and other foodgrains from the farmers;

(b) the details of the foodgrains procured from each State/UT during the last three years, year-wise and item-wise;

(c) the percentage of foodgrains procured from each State/UT vis-a-vis the total stock held in the storage centres of the FCI during the last three years, year-wise and item-wise; and

(d) the amount spent on procurement of foodgrains and the amount released to each State/UT towards the procurements, during the last three years, year-wise, both in Rupee and percentage terms?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) The details of the policy governing procurement of wheat, paddy/rice and coarsegrains are given in Statement-I. (*See* below)

(b) The details of foodgrains procured in each State/UT during the last 3 years are given in Statements II-A, II-B and II-C. (*See* below)

(c) The information is being collected.

(d) The total amount spent on procurement of wheat and rice, in rupees and percentage terms, is given in Statement-III and Statement-II-A respectively.

Statement-I

Policy Regarding Procurement of Foodgrains

The policy of procurement of foodgrains serves the twin purposes of providing a remunerative price to the farmers, thereby avoiding chances of distress sale of foodgrains at prices below the support prices fixed by the Government and also enthuse them to increase production. It also enables Government to build up public stocks of grains, which are vital to food management policy of the Government of India, including maintenance of the Public Distribution System (PDS). Procurement prices are based on support price announced by the Ministry of Agriculture.

Government extends price support to paddy, coarsegrains and wheat through the agency of FCI and the State Agencies. The public procuring agencies buy all the foodgrains, conforming to the prescribed specifications, offered for sale at specified centers. The producers have the option to sell their produce to FCI/State Agencies at support prices or in the open market, as is advantageous to them. No targets, as such, are fixed for the procurement of foodgrains.

Rice is collected by way of statutory levy on rice millers and rice dealers. The percentage of levy is fixed by State Governments with the approval of Central Government.

To facilitate procurement of foodgrains during the Rabi/Kharif Marketing Seasons, FCI and various State Agencies, in consultation with the State Governments, establish a number of purchase centers at various mandis and key points. The precise number of purchase centers and their locations are decided by the State Governments.

Scheme of Decentralised Procurement of Foodgrains

Under this scheme, the designated States would procure, store and, also, issue foodgrains as per allotments indicated by the Central Government under PDS. The difference between the economic cost of the State Government and the Central Issue Prices is passed on to the State Government as subsidy.

Statement-II-A

Procurement of Wheat during the Last Three Years and Percentage of Procurement (State-wise)

(Figs. in Lakh MTs)

Sl. No.	State	1999-2000		2000-2001		2001-2002	
		Proc.	% of Proc.	Proc.	% of Proc.	Proc.	% of Proc.
1.	Punjab	78.32	55.37%	94.24	57.61%	105.60	51.19%
2.	Haryana	38.69	27.35%	44.98	27.50%	64.07	31.06%
3.	Uttar Pradesh	12.62	8.92%	15.45	9.44%	24.46	11.86%
4.	Rajasthan	6.37	4.50%	5.39	3.30%	6.76	3.28%
5.	Madhya Pd.	5.42	3.83%	3.51	2.15%	2.94	1.42%
6.	Delhi	0.02	0.01%	—	—	0.50	0.25%
7.	UT Chandigarh	—	—	—	—	0.12	0.05%
8.	Himachal Pd.	—	—	—	—	0.02	0.01%
9.	Bihar	—	—	—	—	0.43	0.20%
10.	Uttaranchal	—	—	—	—	1.40	0.68%
	TOTAL:	141.44		163.57		206.30	

Statement-II-B

Purchase of Rice and Paddy for Central Pool during the year 1999-2000, 2000-01& 2001-02

Sl. No.	Name of Region	1999-2000 (Actual Prov.)			
		Paddy		Rice	
		Qty.	Value	Qty.	Value
1.	Punjab	24.35 (94.53%)	1259.48	52.03 (39.13%)	5073.02
2.	Haryana	0.82 (3.18%)	42.45	9.03 (6.79%)	859.32
3.	Uttar Pradesh	Neg. (34 MT)	0.02	0.39 (0.29%)	35.67
4.	Rajasthan	0.24 (0.93%)	12.66	0.16 (0.12%)	14.08
5.	Andhra Pradesh	0.16 (0.62%)	7.71	54.17 (40.74%)	5032.64
6.	Karnataka	—	—	1.17 (0.88%)	100.80
7.	Madhya Pradesh	—	—	9.35 (7.03%)	802.66
8.	Maharashtra	—	—	0.37 (0.28%)	31.42
9.	Bihar	0.02 (0.08%)	0.70	0.08 (0.06%)	6.77
10.	Orissa	—	—	5.42 (4.08%)	468.99
11.	Delhi	—	—	0.06 (0.05%)	5.39
12.	Assam	—	—	—	—
13.	Pondicherry	(340 MT) Neg.	0.16	0.10 (0.08%)	8.12
14.	Himachal Pradesh	—	—	—	—
15.	Chandigarh	0.17 (0.66%)	8.90	0.03 (0.02%)	2.94
	TOTAL:	25.76	1332.08	132.96	12441.82

(Qty. Lakh Tonnes)
(Value Rs. Crores)

Sl. No.	Name of Region	2000-01 (Actual Prov.)				2001-02 (R.E.)			
		Paddy		Rice		Paddy		Rice	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1.	Punjab	27.83 (91.25%)	1496.44	48.11 (31.24%)	4862.20	36.75 (78.24%)	2049.54	51.94 (29.74%)	5585.99
2.	Haryana	1.56 (5.11%)	84.32	13.53 (8.79%)	1341.06	6.00 (12.78%)	335.94	14.63 (8.38%)	1564.78
3.	Uttar Pradesh	—	—	3.88 (12.52%)	364.29	—	—	12.27 (7.03%)	1180.89
4.	Rajasthan	0.32 (1.05%)	16.00	0.05 (0.03%)	4.60	0.50 (1.06%)	26.56	0.20 (0.11%)	19.38
5.	Andhra Pradesh	0.43 (1.41%)	23.00	66.29 (43.05%)	6215.26	1.62 (3.45%)	90.18	67.66 (38.74%)	6944.29
6.	Karnataka	—	—	2.21 (1.44%)	192.78	0.09 (0.19%)	5.04	2.93 (1.68%)	279.98
7.	Madhya Pradesh	—	—	10.04 (6.52%)	874.11	2.00 (4.26%)	107.53	15.50 (8.87%)	1466.00
8.	Maharashtra	—	—	0.48 (0.30%)	39.46	—	—	0.13 (0.07%)	11.87
9.	Bihar	0.11 (0.36%)	5.80	0.12 (0.08%)	9.59	0.01 (0.02%)	0.51	0.40 (0.23%)	37.75

Sl. No.	Name of Region	2000-01 (Actual Prov.)				2001-02 (R.E.)			
		Paddy		Rice		Paddy		Rice	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
10.	Orissa	—	—	8.94 (5.80%)	765.47	—	—	8.54 (4.89%)	802.75
11.	Delhi	—	—	—	—	—	—	0.05 (0.03%)	4.91
12.	Assam	—	—	—	—	—	—	—	—
13.	Pondicherry	—	—	0.35 (0.23%)	29.23	—	—	0.40 (0.23%)	36.27
14.	Himachal Pradesh	0.01 (0.03%)	0.39	—	—	—	—	—	—
15.	Chandigarh	0.24 (0.79%)	13.10	(236 MT) Neg.	0.21	—	—	—	—
	TOTAL:	30.50	1639.05	154.00	14698.37	46.97	2615.30	174.65	17934.86

(Fig. in brackets indicate percentage) Figures are provisional.

Statement-11-C

Procurement of Coarsegrains During the Last Three Years

(Fig. in Tonnes)

Year	Commodity	Mah.	M.P.	A.P.	Karnataka	Rajasthan	Gujarat	Total
1999-2000	Jowar	88	—	—	—	—	—	88
	Bajra	—	—	—	—	—	—	—
	Maize	—	—	—	—	—	—	—
	Ragi	—	—	—	—	—	—	—
2000-01	Jowar	151229	1214	—	—	—	—	152443
	Bajra	10510	7405	—	4554	—	—	22429
	Maize	16107	21673	42919	379740	—	—	460439
	Ragi	—	—	—	15413	—	—	15413
2001-02	Jowar	28301	2858	—	—	—	—	31159
	Bajra	6075	10339	—	—	33982	45867	96263
As on 22.4.02	Maize	23254	43007	14961	17783	2181	8164	109350
	Ragi	—	—	—	47078	—	—	47078
	Barley	—	—	—	—	60945	—	60945

Statement III

The Total Amount Spent on Procurement of Wheat (MSP Basis) and the Amount Released During the Last Three Years in Rupees and Percentage

1999-2000				2000-01				2001-02			
Qty. Lakh tonnes	Rate Rs. /qtl. Rs. 550	Value Rs. crores	% age	Qty. Lakh tonnes	Rate Rs./qtl Rs. 580	Value Rs. crores	% age	Qty. Lakh tonnes	Rate Rs./Qtl. Rs. 610	Value Rs. crores	% age
73.32		4308	55%	94.24		5466	58%	105.60		6442	51%
38.69		2128	27%	44.98		2609	28%	64.07		3908	31%
12.62		694	9%	15.45		896	9%	24.46		1492	12%
6.37		350	5%	5.39		312	3%	6.76		412	3%
5.42		298	4%	3.51		204	2%	2.94		179	2%
0.02		1						0.50		31	Neg.
								0.12		7	Neg.
								0.02		1	-do-
								0.43		26	-do-
								1.40		86	1%
141.44		7779	100%	163.57		9487	100%	206.30		12584	100%